

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Public Services – Panchayat Raj & Rural Development Department –Allegation of corruption against Sri.Y.Sagareswara Rao, Retired Addl.Commisssioner , O/o the Commissioner, PR&RE, Hyderabad – Conviction and sentence of the trail Court set aside in Criminal Appeal - Further action dropped – Sanction of the pension and pensionery benefits including gratuity along with interest @ 9% and Regularization of suspension period from 07.05.2001 to 30.11.2003 as 'Not Duty' under FR 54(B) (7) – Orders – Issued.

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PANCHAYAT RAJ AND RURAL DEVELOPMENT (VIG.III) DEPARTMENT

**G.O.Rt.No.747**

**Dated:10.07.2014**  
**Read the following:-**

1. G.O.Rt.No.593, PR&RD(Vig.IV) Department, Dtaed.5.5.2001
2. G.O.Ms.No.111, PR&RD (Vig.IV) Department, Dated.30.03.2002
3. Judgment dated.21.01.2004 in C.C.No.16/2002 of SPE & ACB cases  
Visakhapatnam
4. G.O.Rt.No.2156, PR&RD(Vig.IV) Department, Dtaed.31.12.2005
5. From the Hon'ble High Court of A.P., Hyd, Judgment dated.4.03.2011 in  
Criminal Appeal No.177/2004.
6. G.O.Rt.No.1754, PR&RD(Vig.IV) Dept, Dated.22.09.2012
7. Orders of the Hon'ble Lokayuktha dated.6.12.2012 in complaint  
No.2532/2011
8. From the Hon'ble APAT orders dated.21.12.2012 in O.A.No.6163/2006.
9. From the Hon'ble High Court orders dated.1.08.2013 and 16.08.2013 in  
W.P.No's.19004 and 19005/2013.
- 10.G.O.Rt.No.1790, PR&RD(Est.VI) Department, dated.16.11.2001
- 11.G.O.Rt.No.649 PR&RD(Vig.IV) Department, dated.18.04.2012.
- 12.From the APAT Judgment dated.22.01.2014 in O.A.No.3123/2013.
- 13.From the Hon'ble Supreme Court of India, Judgment dated.6.5.2014 in  
SLP (Civil) Nos.34790 and 34791.

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**ORDER:**

Sri.Y.Sagareswara Rao, while working as Chief Executive Officer, Zilla Praja Parishad, Vizianagaram District now Retired as Additional Commissioner, O/o Commissioner CPR&RE, Hyderabad was trapped on 5.5.2001 and was placed under Suspension vide G.O. 1<sup>st</sup> read above. In the reference 2<sup>nd</sup> read above orders have been issued to prosecute the Accused Officer in a Court of Law for the offence punishable under the Prevention of Corruption Act 1988.

2. In the reference 3<sup>rd</sup> read above, the Special Judge and ACB cases, Visakhapatnam had pronounced Judgment holding that the Accused Officer convicted and sentenced under section 248 (2) of Criminal Procedure Code.

3. Consequent on conviction, the punishment of withholding of entire pension and gratuity in full and permanently was imposed against the Accused Officer vide G.O. 4<sup>th</sup> read above.

4. Sri Y. Sagareswara Rao, had filed a Criminal Appeal No.177/2004 before the Hon'ble High Court of A.P against the orders of trial court dated.21.01.2004 in C.C.No.16/2002 and the Hon'ble Court in its judgment dt.4.3.2011, by allowing the appeal had set aside the judgment of the trial court stating that the trial court ought to have given and extended benefit of doubt to the appellant accused vide reference 5<sup>th</sup> read above.

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5. Consequent on acquittal on benefit of doubt, in the G.O. 6<sup>th</sup> read above, orders were issued for dropping the further action in trap case and withdrawn orders issued vide G.O. 4<sup>th</sup> read above and also ordered to regularize the period of suspension from 7.05.2001 to 30.11.2003 as "Not on duty" under FR 54 (A) (3) and Proviso to FR 54 (B) (7) since other disciplinary proceedings were pending at that time.

6. In the meanwhile, Sri Y.Sagareswara Rao has filed a complaint No.2532/2011 before the Hon'ble Lokayuktha, Hyderabad wherein a detailed report was called for from the Government. Accordingly, in Letter No.26675/Vig.IV/A1/2011-1, dated.5.12.2012, a detailed report has been submitted to the Hon'ble Lokayuktha and requested to close the complaint. The Hon'ble Lokayuktha in its orders dated.6.12.2012 has directed the Government to treat the suspension period of the complainant from 7.05.2001 to 30.11.2003 as on duty and to calculate terminal benefits and sanction of the payment of aforesaid amounts by 4.03.2013.

7. In Govt. letter No.26675/Vig.IV/A1/2013-2, dt.2.3.2013, while quoting certain Apex Court judgments, the Hon'ble Lokayukta has been informed that treating the period of suspension of the complainant from 7.5.2001 to 30.11.2003 as "on duty" and calculating his terminal benefits on the above said basis and sanction and payment of the aforesaid amount to him is not feasible. The Hon'ble Lokayukta, has reiterated its earlier orders 6.12.2012 and directed to pay all the pensionary benefits which includes gratuity by 4.4.2013.

8. Aggrieved by the said orders of the Lokayuktha, Government have filed an appeal before the Hon'ble High Court against the orders of the Hon'ble Lokayuktha and the Hon'ble High Court has disposed of the W.P.No.19005/2013 on 16.08.2013 with the following order.

" Accordingly, the impugned order passed by the Lokaukta is set aside. Any order passed either interlocutory or final, in the matter, by the Lokayukta, are also set aside. The State Government, however, without fail, shall conclude the enquiry in accordance with law, as directed by this Court in the aforesaid Writ Petition. The State Government is directed to ensure payment of the provisional pension to respondent No.1 without fail. In the event, the State Government does not complete the enquiry as per the direction of this Court, it is open to the officer to approach the appropriate Bench, which passed the order. We direct the Lokayukta not to proceed with this matter anymore.

9. As the position stood thus, the APAT in its order dated.21.12.2012 in O.A.No.6163/2006 filed by Sri.Y.Sagareswara Rao has directed the Government to release the pension and pensionary benefits to the applicant including gratuity withheld through G.O.Rt.No.2156 PR&RD(Vig.IV) Department dated.31.12.2005 in view of the withdrawal by the Government with in a period of four weeks from date of receipt of the order. Subsequently, he has filed CA No.623/2013 in O.A.No.6163/2006 for not implementing the orders of said OA.

10. Since another disciplinary case was pending against the individual, Government have filed an appeal before the Hon'ble High Court against the orders of the APAT dated.21.12.02012 in O.A.No.6163/2013 .

11. The Hon'ble High court of AP has passed the following orders in W.P.No.19004/2013, dated 1.8.2013.

"For the aforesaid reasons, the order of the Tribunal to the extent of direction for payment of pensionary benefits including gratuity, is set aside. It is made clear that the petitioners shall continue to pay the provisional pension to the respondent, till the enquiry is completed pursuant to charge Memo, dated:16.11.2001. As it is submitted that the respondent had already retired as early as on 30.11.2003, there shall be a direction to the petitioners to complete the enquiry and pass appropriate orders, as expeditiously as possible, preferably within a period of four (4) months from the date of this order and the respondent shall co-operate for such enquiry".

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12. Sri.Y.Sagareswara Rao, while working as Chief Executive Officer, Zilla Praja Parishad, Vizianagaram District another disciplinary proceedings was instituted for administrative procedural lapses by framing the charges vide G.O. 10<sup>th</sup> read above, whereas the disciplinary proceedings were not concluded due to imposition of punishment of withholding entire pension and gratuity in full and permanently in trap case vide G.O. 4<sup>th</sup> read above. Consequent on acquittal of the individual vide Criminal Appeal No.177/2004, the orders issued vide G.O. 4<sup>th</sup> read above were withdrawn vide G.O. 6<sup>th</sup> read above. As such, Sri.A.Srivastava IPS (Retired) was appointed as Inquiry Authority to conduct Inquiry for the charges framed vide G.O.10<sup>th</sup> read above in the other disciplinary proceedings pending against him.

13. The APAT in its orders dated.22.01.2014 in O.A.No.3123/2013 have quashed the disciplinary proceedings due to inordinate delay and accordingly set aside the orders issued in G.O.Rt.No.649, PR&RD(Vig.IV) Department, dated.10.04.2010.

14. Aggrieved by the orders of the Hon'ble High Court dated.1.08.2013 and 16.8.2013 in W.P.Nos. 19004 & 19005/2013, the individual has filed SLPs (Civil) in the Apex Court. The Hon'ble Supreme Court of India in SLP (Civil) Nos.34970 and 34971/2013 dated.06.01.214 has stayed the operation of the Judgments of the Hon'ble High Court and finally disposed of the SLPs on 6.05.2014 directing the State Government to release the pension to the petitioner with the interest @ 9% from 01.07.2011 and made it clear that the issue with regard to the power and jurisdiction of Lokayuktha is kept open.

15. After careful examination of the matter and keeping in view of the Judgment of the Hon'ble Supreme Court of India dated.6.05.2014 in SLP (Civil) Nos.34970 and 34971/2014, Government hereby sanction the pension and pensionary benefits including gratuity along with interest @ 9% from July, 2011 to Sri Y.Sagareswara Rao, Retired Additional commissioner, O/o the commissioner PR &RE, Hyderabad.

16. Government also hereby order to regularize the suspension period from 7.05.2001 to 30.11.2003 in respect of Sri Y.Sagareswara Rao, Additional Commissioner (Retired) O/o the Commissioner, PR&RE, Hyderabad as "**Not Duty**" under to F.R.54 (B) (7).

17. The Commissioner PR&RE, Hyderabad shall take necessary action accordingly.

18. This orders issues with the concurrence of Finance (HR-VI) Department vide their U.O.No.4267/162/HR-VI/2014, dated.23.06.2014.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**Dr. K.S.JAWAHAR REDDY,  
SECRETARY TO GOVERNMENT (PR)**

**To**

The Commissioner, Panchayat Raj & Rural Employment, Hyderabad.

The Individual through Commissioner, Panchayat Raj & Rural Employment, Hyderabad.

The District Collector, Vizianagaram District.

**Copy to:**

The Accountant General , Andhra Pradesh, Hyderabad

The Hon'ble Andhra Pradesh, Administrative Tribunal

The Hon'ble High Court of Judicature at Hyderabad

The Hon'ble Lokayuktha, Andhra Pradesh, Hyderabad

The Secretary, A.P. Vigilance Commission, Hyderabad.

The Finance (HR.IV /Pension.II) Department, A.P. Secretariat, Hyderabad

The Law Department, A.P. Secretariat, Hyderabad.

The P.S. to Hon'ble Minister (PR&RWS)

The P.S. to Secretary (PR)

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// FORWARDED:: BY ORDER //

SECTION OFFICER

